

2017-2018 Budget in Brief



Budgeting by Priorities (BP)

The City of Redmond changed its traditional budget methods in 2008 by implementing an innovative approach to budgeting that fulfills the promise the Mayor made upon his election to office: “a transparent and open budget that is based on priorities developed with citizen input and approved by the City Council.”

Budget Process

As in the four previous biennium budgets, the City used the same innovative approach in developing its 2017-2018 Budget. Using the priorities developed in 2008, the City Council adopted and developed a performance dashboard to measure the success of each priority. Key benchmarks can be found at www.redmond.gov/Government/FinancesandBudget/Budget/PerformanceMeasures/

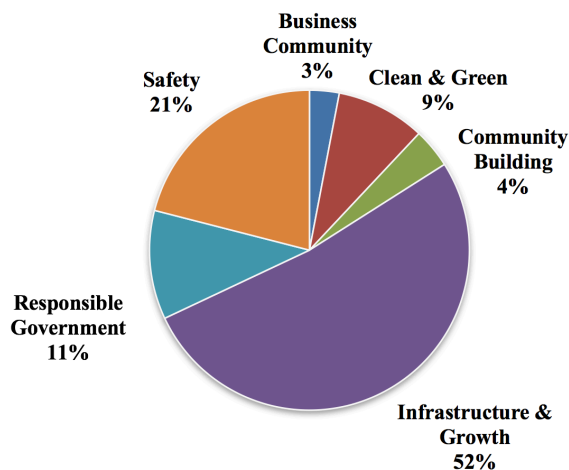
As in the previous process, City employees and community members formed teams known as Staff Results Teams and the Civic Results Team, respectively, to develop factors which contribute to the accomplishment of the priority. These factors are used to develop purchasing strategies which advise the City how best to compete for funds in the development of their programs.

The Request for Offers seek programs or services (also known as offers) that contribute to the priorities. The offers were reviewed and ranked by the Teams and then submitted to the Mayor for his review. The Mayor collaborated with the Directors' Team and finalized the preliminary budget which was presented to the Council in October 2016.

The City of Redmond selected the BP process because it focuses budget decisions on citizen priorities.

Priority Funding

The City determined the priorities for purposes of developing the City's budget through a community based process. These priorities were then used as the focus of the 2017-2018 Budget.

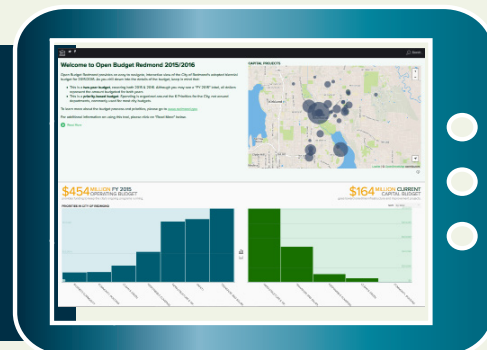


Note: Infrastructure & Growth includes the City's water and wastewater utilities; Clean & Green includes the surface water utility.

Open Budget Data

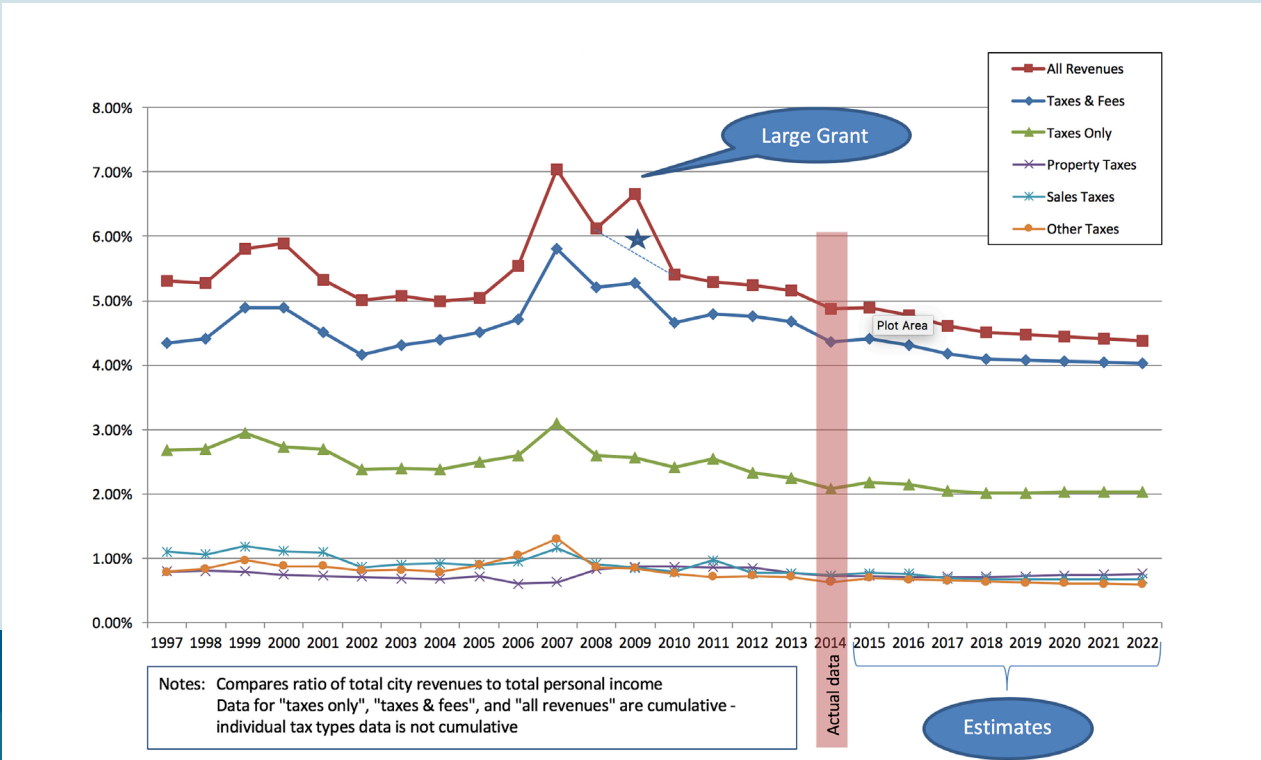
The City's budget has been added to an open data service that provides transparency through providing data that will drive innovation in citizen access to information, and community engagement and government efficiency. This service dramatically expands access to finance information, while simultaneously enhancing cost efficiencies and speed of execution.

www.budget.redmond.gov



The Price of Government

The “price” is based on the sum of all taxes, fees and charges collected by the City, divided by the City’s aggregate household income. In Redmond’s case, the price fell to 4.9% and is projected to continue to decline to 4.6% in 2018. The City can accomplish the services proposed in 2017-2018 Budget while preserving an overall price for under 5% of community income.



City Outlook

This new budget maintains Redmond’s core services while continuing to make significant investments in Redmond’s future. The City is anticipating one-time resources in the General Fund to total \$10.80 million. This money is proposed to go towards one-time uses including funding the economic contingency, investments in technology, and increases in the affordable housing allocation as well as emphasize programs to tackle homelessness. Consistent with the City’s Long Range Financial Strategy, this budget includes:

- 0.95% property tax increase
- 2.0% water/wastewater utility rate increase
- 2.4% increase in business license fees and

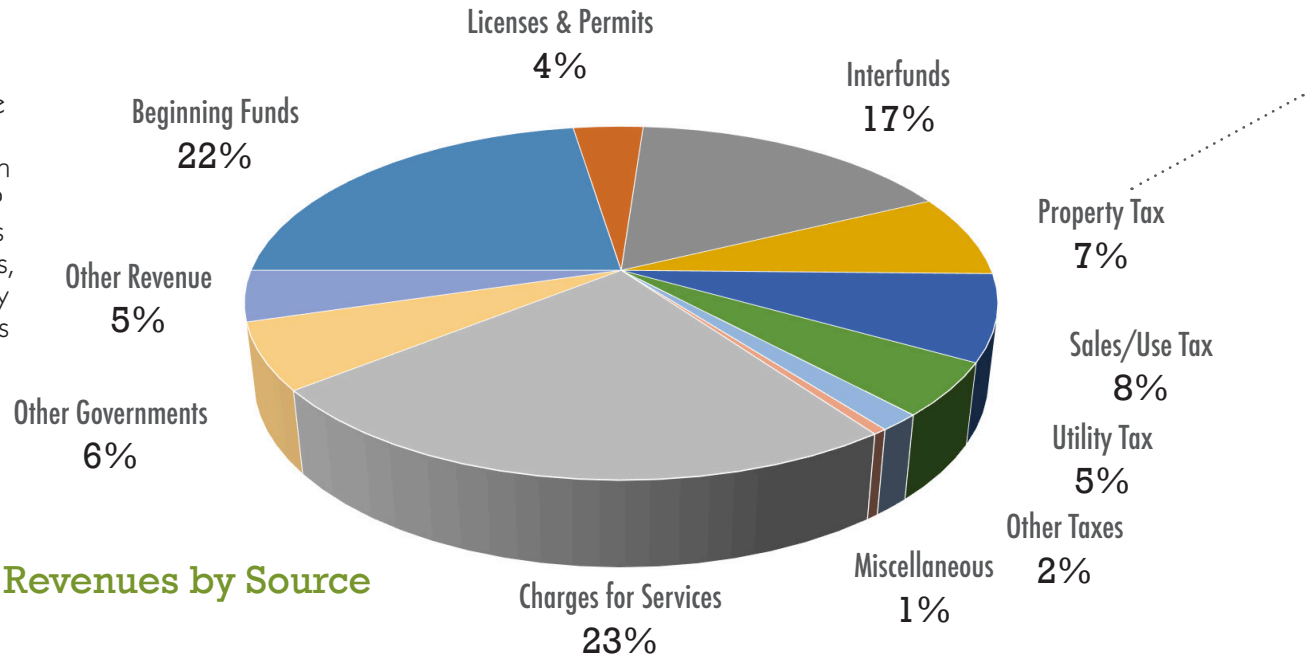
In addition, the budget honors the Council’s policies with regard to reserves and transfers from the General Fund to the Capital Investment Program (CIP).

The 2017-2018 Budget furthers the City’s vision of two urban centers and connected neighborhoods by maintaining investments in parks, new environmental initiatives, community safety and new infrastructure for the future. As in past budgets, the City also strives to provide accountability for results – results that matter to residents, businesses and visitors and a “price” that is at a historical low.

The City of Redmond works to manage its fiscal responsibilities with Council policies, best practices, and sustainability in mind. The budget is created through encouraging innovation, reducing expenditures and finding efficiencies where possible. A key feature of the 2017-2018 budget is right sizing resources to remain within the “Price of Government” and the City’s long range financial strategy framework.

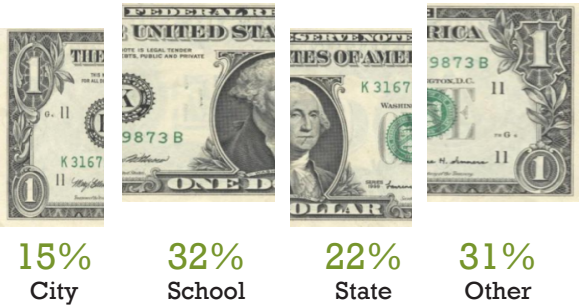
Revenue

Revenues for the 2017-2018 Budget are anticipated to total \$679.5 million; this is approximately 10% over the 2015-2016 biennium due to a healthy development climate, strong economic conditions, partnerships with the private sector and growth in the City’s tax base. CIP projects are funded through variety of revenue sources that include but are not limited to private contributions, grants, Real Estate Excise Tax (REET), Business Tax, utility revenue and general operating revenue. It also includes one-time funds dedicated to significant projects the City hopes to accomplish in the next biennium.



Property Tax: The City receives 15% of total property taxes paid by City residents and businesses with the balance distributed as illustrated. In 2017, Redmond will receive approximately \$1.36 per \$1,000 of assessed valuation from property owners located within the City limits.

Property Tax Distribution



Vision

A community of connected neighborhoods with vibrant urban centers – inspired by nature, powered by innovation, and committed to excellence.

Focus Results on Community Priorities



Vibrant Economy

I want a diverse and vibrant range of businesses and services in Redmond.



Clean & Green

I want to live, learn, work and play in a clean and green environment.



Diverse & Connected Community

I want a sense of community and connection with others.



Infrastructure

I want a well maintained city whose transportation and other infrastructure keeps pace with growth.



Responsible Government

I want a city government that is responsible and responsive to its residents and businesses.



Safety

I want to be safe where I live, learn, work and play.